

FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329 (916) 322-5660 • Fax (916) 322-0886

September 9, 2009

Liane Randolph Pillsbury Winthrop Shaw Pittman LLP

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Re: FPPC No. 05/099, Arnold Schwarzenegger

Dear Ms. Randolph:

On February 7, 2005, the Enforcement Division received a complaint alleging that Governor Arnold Schwarzenegger (hereafter the "Governor") violated the campaign contribution limit provisions and candidate-controlled committee requirements of the Political Reform Act in connection with the Citizens to Save California committee (hereafter "CSC") (ID#1273022). The complaint alleged that CSC was controlled by the Governor and was receiving contributions in excess of the \$22,300 limit set forth in Section 85301, and in violation of the Commission's newly-adopted Regulation 18530.9, which barred candidate-controlled ballot measure committees from receiving contributions in excess of the Act's limits.

As you are aware, the above issues were the subject of extensive litigation in Sacramento County Superior Court. In connection with this litigation, the Governor and CSC filed a lawsuit against the FPPC to invalidate Regulation 18530.9. The litigation resulted in favor of the Governor and CSC, and the FPPC repealed Regulation 18530.9 in July 2007. As such, the majority of the complaint's allegations are now moot. In addition, based on rulings made during the litigation, and based on our own review of the CSC, we determined that the allegation concerning the Governor's control of the CSC was unfounded.

This letter is to advise the Governor that we have completed our review of the foregoing allegations and found no violation of the Act. We have therefore closed our file.

If you have any questions, please contact me at (916) 322-5785.

Sincerely

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Roman G. Porter Executive Director